

Congresswoman Loretta Sanchez (CA-47) announced today that the U.S. Treasury is allocating over \$168 million for small business lending in California. The new funding – a key part of the recently passed Small Business Jobs Act – will be invested statewide to help local entrepreneurs expand their businesses and create new jobs.

Congress passed the Small Business Jobs Act to spur economic growth and create 500,000 new jobs by providing much-needed lending to millions of small businesses, and offering 8 new tax incentives to companies so they can expand, hire, and fuel our economy. This includes zero capital gains taxes on long term investments for over 1 million qualifying small businesses. Also, small businesses buying new equipment can immediately write off the first \$500,000 of their purchases.

“Small businesses are a vital part of my district and the drivers of the Orange County economy,” Rep. Sanchez said. “This funding will help spur economic growth and get people back to work. This legislation is a commonsense approach to the ongoing problem of limited access to credit which has contributed to the slow recovery. The tax breaks in this legislation will also provide much-needed relief to small businesses in my district that want to expand but just have too many overhead costs. And as a Blue Dog Democrat, I am pleased that this bill is fully paid for and will not add a dime to the deficit.”

Through this part of the Small Business Jobs Act, states have the opportunity to apply for federal funds for programs that partner with private lenders to extend greater credit to small businesses. States are required to demonstrate a minimum “bang for the buck” of \$10 in new private lending for every \$1 in federal funding.